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GOVERNOR SIGNS BUDGET, RR FUNDING IMPACTED

In July, Governor Jim Doyle signed the 2003-2005 State Biennial Budget (2003 Wisconsin Act 33), which helped reduce Wisconsin's billion-dollar deficit and bring spending in line with the state's revenue streams. The new budget includes changes made by the

Legislature to Governor Doyle's original budget proposal submitted in January, as well as Governor Doyle's vetoes to the final budget he received from the Legislature in July.

For the Remediation and Redevelopment (RR) Program, the news of the governor's signing brings a mixed bag of results. While the program's core goals of spill prevention, cleanups and brownfields redevelopment remain, there may be less funding available for staff to complete their work. Also, while there have been some initial staff reductions from previous funding cuts, it is unclear if any additional staff will be laid off due to reductions in the new budget.

Veto Of Environmental Fund Transfer

The Legislature's Joint Finance Committee had recommended that \$1.3 million be transferred out of the Environmental Fund, a cut that impacts the RR program. Money from the Environmental Fund is used by the RR Program for staff salaries as well as for emergency actions and long-term cleanups of contamination.

GOVERNOR SIGNS BUDGET, RR FUNDING IMPACTED (CON'T.)

According to budget experts, this transfer could produce a significant reduction in state-funded RR program staff, estimated at 10 full-time employees (FTE) in the RR program and four FTE in the Waste Management Program. Governor Doyle vetoed this transfer of funds; however DNR does not presently have authority to use the vetoed funds for staff salaries, so at this time it is unclear how this will directly affect the RR Program.

In Fiscal Year 2005, another reduction to RR Program staff that involves 9.5 FTE was not vetoed by the Governor. This reduction stems from the Legislature's decision not to increase the vehicle impact fee. The vehicle impact fee is a fee collected any time the title to a vehicle is transferred, and is a major funding mechanism for the Environmental Fund.

This second reduction takes effect July 1, 2004. The RR Program has already reduced staff by seven FTE, mostly through eliminating unfilled vacancies.

Brownfield Grant Funding Included In Budget

The new state budget also includes continued funding for Wisconsin brownfield grant programs. The budget bill includes \$3.4 million for the biennium for DNR's Brownfields Site Assessment Grant (SAG) program, and \$1 million for the biennium for DNR's Brownfields Green Space and Public Facilities Grant program.

Program staff expect the announcement for the next round of SAG grant applications to occur in the winter of 2003-04. For Green Space grants, the budget authorizes DNR to review the grant applications that the RR Program received in January of 2003. DNR staff are analyzing the budget language to determine how it will impact future Green Space grant awards.

The budget bill also includes \$7 million annually for the Wisconsin Brownfields Grant Program administered by the Department of Commerce.

For More Information

Please check the RR Program's web site, listserv and future issues of Re Newsfor more information on the budget. Web site information can be found at www.dnr.state.wi.us/org/aw/rr; also, for information on DNR and Commerce grants, please see www.dnr.state.wi.us/org/aw/rr/financial.

Second Record of Decsion Issued for Fox River Cleanup



This hydraulic dredge, known as a horizontal auger, is the type of machine that could be used to dredge contaminated sediments in the Fox River (DNR photo).

In July, Governor Jim Doyle announced that the Wisconsin Department of Natural Resources (DNR) and the U.S. Environmental Protection Agency (EPA) have released the second Record of Decision (ROD) for cleaning up contaminated sediments for a 13-mile portion of the Lower Fox River.

The ROD represents the final decision by the DNR and EPA on the remedial plan for cleanup of polychlorinated biphenyl (PCB) contaminated sediment on three sections of the Fox River – from Little Rapids to De Pere, from De Pere to Green Bay and in Green Bay itself. The ROD designates these areas as Operable Units 3, 4 and 5.

The two agencies released the first ROD in February of this year. That ROD covered Operable Units 1 and 2 – from Little Lake Butte des Morts to Little Rapids (please see "Record of Decision Issued For Fox River Cleanup," page 1, Re News March 2003).

Second Record of Decsion Issued for Fox River Cleanup (con't.)

In announcing the ROD, Governor Doyle talked about the Fox River's long road to recovery. "After decades of work, discussion and debates that have spanned several administrations, we are finally poised to move forward with the cleanup of the Fox River and turn our efforts to negotiating the remedy implementation with the responsible companies," said Doyle.

Cleanup Costs Estimated at \$400 Million

Engineers estimate that Operable Unit (OU) 3 contains approximately 2,750 pounds of PCBs in more than 3 million cubic yards of sediment, while OU 4 contains approximately 58,000 pounds of PCBs in nearly 8.5 million cubic yards of sediment.

The remedial action recommended by the agencies requires dredging more than 6 million cubic yards of sediment out of OU-3 and OU-4 to remove most of the 60,000 pounds of PCBs in these sections. Cost of the dredging is estimated at \$284 million.

For Green Bay, OU-5, the selected remedy is Monitored Natural Recovery, which includes monitoring such natural processes as the breaking down (i.e. degradation), dispersal and the burial of contaminants to the point where the contamination is no longer a concern. The remedy includes a 40-year monitoring program for measuring PCB levels in water, sediment and fish tissue to effectively measure progress.

Analysis by DNR and EPA shows that proposed remediation of the Lower Fox River is expected to reduce the amount of PCBs moving into Green Bay in the future by 98 percent. Also, additional sampling results in Green Bay in 2002 showed a maximum concentration of 30 parts per million PCBs at the mouth of the river. That area will be dredged as part of the OU-4 cleanup.

According to DNR and EPA officials, addressing continued PCB discharges into Green Bay will be more cost-effective at reducing long-term risks in Green Bay than would active remediation in any portion of the Bay.

Cost of the remedy for OU-5 is estimated at nearly \$40 million, making the combined cleanup costs for all three areas approximately \$324 million. With the price tag to cleanup OU-1 and OU-2 at \$76 million, total cleanup of the Fox River is estimated at \$400 million.

"Cleaning up the Fox River had been one of my top environmental priorities since I took office in January," Governor Doyle said. "The Fox River has always been vitally important to Wisconsin and the Fox River Valley. But if we want to preserve this valuable resource for the future, we must repair the damage of 150 years of heavy wear and tear on the river and surrounding lands. And we must clean up the PCBs that have contaminated the river."

PCBs were discharged into the Lower Fox River during the manufacturing and recycling of carbonless copy paper, primarily between 1954 and 1971. According to officials, removal of contaminated sediment will result in reduced risks from PCBs in fish tissue to levels protective of human health and the environment, and help DNR and EPA reach their stated goal for the removal of all fish consumption advisories for the river and the bay of Green Bay.

For more information on the Fox River cleanup, please contact: Ed Lynch, DNR Fox River Project Manager, at 608-266-3084, or edward.lynch@dnr.state.wi.us; or please see the DNR's Fox River web site at www.dnr.state.wi.us/org/water/wm/lowerfox/index.html.

Don't Forget About Federal Brownfield Grants!

Local governments trying to make ends meet during these difficult budget times shouldn't overlook the opportunity to apply for federal brownfield grants through EPA. The agency offers the following funds:

- \$200,000 grants for brownfield inventory, assessment, and planning;
- up to \$1 million to establish a revolving loan fund, which communities can use to offer grants and loans for local brownfield cleanups; and
- \$200,000 grants for brownfield cleanup.

The competition for federal grants is tough, but Wisconsin communities ranging in size from Milwaukee to Richland Center have been successful. The agency has not yet announced their next grant application schedule – please watch their web site for updates at www.epa.gov/brownfields/applicat.htm. For more information about financing cleanup and redevelopment in Wisconsin, please see the RR Program's Financial Resource Guide for Cleanup and Redevelopment www.dnr.state.wi.us/org/aw/rr/archives/pubs/RR539.pdf.

RR Program Pursuing Changes to Brownfields Site Assessment Grant

The RR program is revising the administrative rule that describes requirements for the Brownfields Site Assessment Grant (SAG) program. This rule, ch. NR 168, Wis. Adm. Code, was initially adopted by the Natural Resources Board in 2000 and describes the application requirements, eligibility criteria and scoring factors for the SAG program.

The SAG program assists local governments by providing grants to assess environmental contamination and to conduct eligible activities on brownfield sites. Since the program began, there have been four rounds of grants, in which the DNR has received 269 applications and awarded 162 grants. In total, \$10.3 million in funding has been requested and \$4.85 million has been awarded to 84 different communities across the state.

Based on the experiences from the first four rounds, RR staff are working with environmental consultants, attorneys and local officials to identify several areas where revisions in the SAG program could help clarify and improve the administrative process. The DNR is also proposing revisions to the scoring system in the rule changes.

The 2003-2005 state budget, which Governor Doyle signed into law last July, includes continued funding for the SAG program (please see story page 1). The DNR plans to move ahead with these rule revisions so they will be applicable to the next round of grants, which staff expect to award in the spring of 2004.

As with all rule changes, the DNR will be seeking public comments, and plans to have public hearings on the SAG program changes this fall. For more information on the SAG rule changes and the future rounds of grants, please contact Michael Prager at 608-261-4927, or michael.prager@dnr.state.wi.us; also please check the RR web page at http://www.dnr.state.wi.us/org/aw/rr/rbrownfields/sag.htm.



SUCCESS STORIES

DEVELOPMENT ON HISTORIC LANDFILL SITES - UPDATE

Prior to May of 2002, cleanup and redevelopment of Wisconsin brownfields properties with historic fill was often hindered by a sometimes cumbersome and confusing process to obtain DNR approval for construction on these properties.

An "historic fill" site is defined as a landfill that received solid waste or other waste materials before 1970 and was not licensed by DNR. Section NR 506.085, Wis. Adm. Code, prohibits activities that may interfere with a closed solid waste disposal facility, including the construction of any buildings over the waste disposal area.

In May of 2002, the RR and Waste Management programs completed a lengthy collaboration on new guidance for building on these historic fill sites. The guidance provides clear language on what is required in order to obtain approval to build on the sites, and also provides a process to expedite approval of exemptions from s. NR 506.085.

Through this new guidance, the agency provides an expedited exemption when an environmental consultant confirms – and the DNR agrees – that the site presents minimal risks to human health and the environment (please see "New Process Finalized for Review of Proposals to Develop on Historic Fill Sites and Licensed Landfills", page 7, Re News June, 2002, for more information).

When a disposal site has more complex issues and cannot go through the expedited process, DNR staff work through a more detailed, case-by-case review before granting any approvals to build on a site.

How Does It Work?

The two programs have divided the work – RR Program staff now respond to requests for construction on unlicensed landfills, and Waste Program staff respond to requests at landfills that have been licensed. The exemption process involves filling out a few forms, submitting a \$500 review fee and submitting appropriate documentation of an investigation to evaluate the waste and its potential hazards.

To date the RR Program has reviewed approximately 45 applications, with the majority of applications coming from the Milwaukee area. Most of the applications consisted of the lengthier, case-by-case exemptions, and only a few were requests for expedited exemptions. Conditions that RR staff have included in their approvals:

- capping the waste;
- blocking vapor migration into utilities;
- installing methane meters in basements;
- providing active or passive methane extraction systems; and
- raising garden beds to further separate the wastes from human contact and plant uptake.

Each request and approval is different, and may or may not include follow-up monitoring. Materials in the disposal sites that have been granted exemptions ranged from foundry sand to municipal wastes. Redevelopment end uses have included industrial and commercial buildings, and even homes and parks. Approval of residential use is not common, and is reviewed very carefully by DNR staff.

DEVELOPMENT ON HISTORIC LANDFILL SITES - UPDATE (CON'T.)

Some fill sites have needed gas-venting systems due to wastes that produce landfill gas (i.e. methane), which can be dangerous due to its explosive nature. Some historic disposal areas were in wetlands or along rivers, and the waste was put on top of organic soils or peat. These natural organic materials also produce methane, and can increase the likelihood of a gas-venting requirement in the approval for construction. Build-up of landfill gases can produce very dangerous situations, so good quality methane sampling techniques and equipment must be used when screening the site.

Is It Working? – A Successful Approval

One successful case-by-case request that received approval to build on historic fill involved US Cellular, which wanted to lease a portion of a property to build a cellular communication tower in Ripon in southeastern Wisconsin. This applicant also requested and received a lessee liability letter, which the DNR provides upon request to help clarify liability issues on contaminated properties that are being leased (please see Clarifying Environmental Liability When Leasing) Perty publication #RR-620, for more information).

The leased portion of the property was filled with foundry sand from a former foundry site. The application and fee were submitted with a Phase I and Phase II environmental site assessment report. Waste characterization showed elevated levels of metals and additional sampling was required, as well as clarification of the boundary of the waste fill. Foundry sand on the leased property extended onto surrounding property, which was already an environmental repair site under DNR review.

The consultant used geoprobe sampling to define the base of the waste and the underlying native soils, which were sand and clay. Since neither the waste nor the underlying soils produce methane, DNR staff did not require methane monitoring. To build the cell tower base, a large portion of the waste had to be removed for structural stability. Workers removed the waste and disposed of it at a licensed landfill, with documentation of the disposal included in DNR's approval.

Success, Part Two

Another successful request for approval to build on an historic fill site lead to the Novation Technology Campus in the town of Madison.

Developed by the Alexander Company, this 55-acre campus will include mixed-use construction for advanced technology, retail, and commercial tenants, with associated day care, wellness and gym facilities.

In addition, Dane County received a \$370,000 Economic Development Initiative (EDI) grant from the U.S. Department of Housing and Urban Development (HUD). The grant will be used to create a Madison Area Technical College (MATC) jobtraining center at the campus.

Prior to redevelopment, this area had been used for disposal of demolition debris and waste soil for 30 years. It then became the lcke Landfill, which accepted flyash in the 1970s and 80s and contains cadmium, lead and mercury contamination.

The developer removed construction debris from the site and constructed a clay cap over the flyash, with specific requirements to maintain the cap. This area is also included in the town of Madison's Environmental Remediation Tax Incremental Finance (ER TIF) District, which uses increased tax dollars to help pay for the cost of environmental cleanup in the district.

All in all, the property went from a wasteland to an ongoing development valued at more than \$30 million, a tremendous benefit to the surrounding residents and the town's tax base.

We're Still Learning!

The RR Program staff have seen a great variety in requests for construction on historic fill sites, and just as great a variety in the approvals. Occasionally, we are not able to grant the approval at all. We are learning, identifying and resolving bumps in the process and trying to make it flow smoothly. These historic fill sites can be great redevelopment opportunities with the new streamlined review and approval process.

For more information about building on abandoned landfill sites, please visit our web page at www.dnr.state.wi.us/org/aw/rr, and click on the "Publications" link on the right-hand side of the page to find the following documents:

- Development At Historic Fill Sites And Licensed Landfills: What You Need to Knowpublication #RR-683;
- Development At Historic Fill Sites And Licensed Landfills: Guidance For Investigationublication #RR-684;
- Development At Historic Fill Sites And Licensed Landfills: Considerations and Potential Delems, publication #RR-685: and
- Development At Historic Fill Sites or Licensed Landfills, Exemption Application Forms 4400-226 and 4400-226A.

REGISTER NOW FOR BROWNFIELDS 2003!



The Brownfields 2003 conference, Growing a Greener America will be held this year from October 27-29 in Portland, Oregon. This national conference addresses the redevelopment of rural, urban, industrial and commercial sites that are abandoned or underused because of real or perceived contamination. Brownfields 2003 builds upon past successes and continues to offer up-to-date and stimulating information for brownfields practitioners from throughout the United States and overseas.

Every individual involved with brownfields redevelopment – bankers, planners, developers, government officials and community representatives, to name a few – should plan to attend this conference. Brownfields 2003 will offer participants a variety of sessions, including the popular Marketplace of Ideas roundtables, interactive and informative plenary sessions, poster presentations, tours of local brownfields sites and exceptional networking opportunities for brownfields stakeholders.

Online registration is available through October 10, 2003. After this date, conference attendees should register on-site at the conference in Portland. For more information and for online registration, please visit the following web site: http://brownfields2003.org/.



GREEN TEAM MEETING UPDATE

st three years, RR Program staff have met with many local government ials, developers, lenders and other community decision-makers through ate agency Green Team meetings. The objectives of Green Team meetings are to provide information and clarification about Wisconsin's brownfield financial programs, and to determine which programs are right for your project. Which state agencies will work with you in Green Team meetings depends upon the specific characteristics of your brownfield.

In the past six months, the RR Program and the Department of Commerce have met with the following local governments:

- Broadhead:
- Delavan:
- Eau Claire;
- Fort Atkinson;
- Hillsboro;
- Lomira;

- Oak Creek:
- Racine:
- · Richland Center;
- · Rosholt; and
- Sun Prairie.

Please contact Laurie Egre at 608-267-7560, or laurie.egre@dnr.state.wi.us, to find out more information about Green Teams or to arrange a meeting (also, please see "Local Governments And Non-profits Take Advantage of RR Green Team Meetings For Brownfields", page 7, Re News September, 2001).

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This newsletter is available in alternate format upon request. Please call 608-267-3543.

Our Web Site Is: http://www.dnr.state.wi.us/org/aw/rr

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